The general principles of the Bill were then put to vote and *passed* by a large majority.

PRIVATE BILL.

1. The Mysore Debtors' Bill.

(For statement of General Principles, the Bill proper and the statement of objects and reasons, please see Appendix II.)

MR. K. T. BHASHYAM AIYANGAR, in explaining the general principle of the Bill, said that the present law rendering a debtor liable to imprisonment was too stringent and should be modified. By putting the debtor into prison, the money-lender would not gain anything. Imprisonment was a punishment fittingly to be given to a criminal. Failure to repay monies was a civil offence, and there was no justice in imprisoning a man who failed to repay his loan. It might be argued that in the absence of a fear of that drastic punishment many debtors might try to deceive their creditors. That aspect of the matter had been discussed by many committees who had come to the conclusion that such people were after all not many. Ordinarily, persons borrowing money would always try to repay it, sooner or later.

Continuing, he said that this was not a new subject. So long back as 1871, the Government of India appointed a committee to investigate into the matter and as a result of the recommendations of that committee, women were exempted from the punishment of imprisonment for non-payment of dues. That exemption was to be found in Section 56 of the Civil Procedure Code. That was nothing but a humanitarian provision. The same consideration prevailed in the Agriculturists' Relief Regulation also under which agriculturists were exempted from imprisonment for failing to repay monies due. It was high time that this was recognised as a general principle applicable to all legislation in force at the present day. In many advanced countries this kind of punishment had been abolished. According to Halsbury's "Laws of England, Vol. XIV," even Englishmen who were called a nation of shop-keepers and who generally did not wish to forego their dues, had done away with this sort of punishment except in special cases like borrowing money in the names of minors and misappropriating it. Even in regard to such special cases, agitation was going on that such drastic punishment was not warranted. But so far as the point under discussion was concerned, it was generally agreed that it would be barbarous to treat a civil wrong-doer like a criminal. It would do credit to the Model State of Mysore to fall in with that opinion. If a man was arrested, his relations would wherever possible be compelled to pay on his behalf and that would amount to blackmailing. Or, he himself would have to go and borrow money from some other money-lender and once again expose himself to similar risks at the hands of such lender. If such a position was avoided, the self-respect of the man would be safeguarded. A similar Bill was at present engaging the consideration of the Government of India, and Mysore, which was in advance of other administrations in many respects, would be leading the way in this matter also by adopting this measure immediately. In this view, he hoped that the Assembly would give its wholehearted support to the measure and thus enhance its own reputation as well as that of the State.

In supporting the Bill, MR. C. N. NARASINGA RAO said that this was a very simple measure and there was nothing in it which would prove harmful to any one. Generally, no one would borrow money with the object of deceiving the creditor. If for any reason a person failed to repay his dues, then, under the law in force at present, he would have to go to jail. But by being sent to jail, it was not he alone that suffered but all the members of his family and other dependants. Secondly, if the debtor applied for insolvency, he might escape imprisonment and seek protection of the court from further harassment at the hands of his creditors. At present, all women and all agriculturists were enjoying exemption and the people left out were

only poor clerks with petty salaries and petty merchants. By introducing the proposed law, these also would be helped and the invidious distinction obtaining at present would be removed. Similar laws had been passed in western countries, as stated by the mover, and by adopting a law on those lines, Mysore would be setting an example to the rest of India.

MR. BAGAMANE DEVA GOWDA, in opposing the measure, said that in the malnad it was usual for people from outside the State to come and seek employment in the plantations or work as contractors. It was also very usual for them to take advances and make other borrowings from the planters and others on joint pro-notes. If this law was promulgated, they were sure to swindle the planters and other money-lenders also. If on the other hand all the defaulters were arrested and put in jail, their nature would become known and there would be no scope for them to swindle others; nor for others to follow their bad example. Arrest and imprisonment alone would prompt all debtors to repay their loans.

It was said by the mover of the Bill and his supporter that, in western countries, such punishment had been abolished. But he wished to know whether the same had been done in any part of India itself.

Referring to the difficulties of the family the head of which was put in jail, MR. DEVA GOWDA said that if the man had no property whatever and was unable to pay, there was provision for him to get relief under the Insolvency Regulation. But if the members of his family happened to possess any jewels or other valuables, they ought to sell them with a view to safeguard his self-respect, remembering that, any day, self-respect was much more precious than jewels.

MR. G. CHANNAPPA was also not in favour of the Bill. He said that though the proposed measure was a small one, its consequences would be grave. Its one sure consequence would be that the financial and other relations between traders and money-lenders would very considerably be affected.

It had been stated by the mover that western countries had abolished the system of punishing judgment-debtors with imprisonment. It was not known what the conditions there were. To adopt a similar procedure here might after all be found to be a move in the wrong direction. So long as there was no such enactment in force anywhere in British India, his own opinion was that it would not be safe to have the proposed legislation in the State.

MR. L. VEMA REDDY also opposed the measure. He was aware of instances in which people borrowed moneys, made jewels out of them for the use of their women and children and deceived their creditors. If this Bill was passed, he was sure that it would place a premium upon the dishonesty of such persons and add to their numbers. The law now in force was acting as a moral check on people of that type and it would be unwise to withdraw such check.

MR. P. SUBBARAMA CHETTY, in further opposing the measure, said that the House had just accepted certain amendments to the Agriculturists' Relief Regulation with the sole object of creating better facilities both for agriculturists as well as for money-lenders. And he was surprised to see that close upon the heels of such amendments, Mr. Bhashyam Aiyangar was proposing a measure which would affect the credit of both merchants and agriculturists.

It might be that a similar legislation was under contemplation in British India. Everywhere socialistic tendencies were increasing and that perhaps was the trend of the times. No doubt, "communism," "socialism," "bolshevism," etc., were high-sounding terms. But it must be examined how they were working elsewhere and what results they were leading to actually.

Speaking on the merits of the Bill, he said that no creditor would be anxious to send his debtor to jail, unless he had reason to think that the debtor was wantonly evading payment. It was also not very easy to get a man committed to prison. And even if a creditor got his debtor put into jail, he

would himself have to bear the maintenance charges of the prisoner. Would any man like to spend his hard-earned money for such a purpose? He said that this view had been shared by certain Chambers of Commerce and he read out a few extracts from the proceedings and statements of those bodies.

Mr. K. Chengalaraya Reddy said that though he had at first a mind to support the measure, he had to change his opinion after hearing some of the speakers who had opposed it. There was no such legislation anywhere in British India and he feared that by passing the Bill into law, Mysore would become an asylum for all debtors from outside. It was no doubt true that the self-respect of every man should be respected, but at the same time all wrong-doers required to be punished. Already, agriculturists and women had been exempted from imprisonment for non-payment of dues and it was only a small proportion of people that might be affected by the existing legislation. In this view, there was no particular hurry to introduce any radical change in the existing law. He therefore thought that, for the present, the mover would do well to withdraw his Bill.

Mr. Hoskoppa Krishna Rao also expressed himself in opposition to the Bill. He said that if a creditor did not get back his money, he would not gain anything even by putting his debtor into jail. There was no doubt that a moral duty was cast on every debtor to repay his dues, and in India particularly, this duty had always been regarded as an irrefutable obligation. Such a sentiment did not weigh so much in any other country. Naturally, therefore, the presumption was that in India no debtor would willingly deceive his creditor so long as he was able to discharge his liability. In fact, every religion in India preached that by a debtor failing to do his duty, not only would he himself have to suffer in the next world but he would also be making for the condemnation of all his ancestors into hell. Had the country, he asked, not witnessed only recently that Desabandhu C. R. Das discharged the heavy debts incurred by his late father even though it was not his legal duty to do so? It was well therefore that the law which made it obligatory for every debtor to repay his loan was not unduly interfered with. Even from the point of view of the State, it would not be in anybody's interest to put the debtor into jail. If a man was imprisoned for any criminal offence, the jail authorities could extract work from him and there would be some return to the State. On the other hand, no civil prisoner could be forced to work and so neither the creditor nor the State would derive any benefit from getting a debtor imprisoned.

At this stage, Mr. H. B. Gundappa moved for closure and Mr. B. S. Puttaswamy seconded the motion. The motion was put to vote and *passed*.

Mr. K. T. Bhashyam Aiyangar then made his reply. He explained at the outset that he had been actuated by the highest of motives in bringing forward this legislation. He had not proposed it with the object that all borrowers should dupe their creditors. His main object in bringing up this Bill was that imprisonment was too drastic a punishment for sheer inability to repay. The country was passing through critical times and debtors in general, like agriculturists, were often unable to discharge loans. Creditors naturally got disappointed that their hard-earned money was being lost and in some fit of emotion got their debtors punished in this drastic way. So far as facts were concerned, he agreed with some of the previous speakers that there were not many people who were anxious to deceive their creditors. If that was so, it was all the more reason why there should be no general law that all such people should be imprisoned. Such a law would show to the outside world that there were many people of the kind described. It would not do credit to any civilised administration to have such drastic laws when really they were not necessary. At the same time, he did not wish to press the Bill since many members of the Assembly had expressed themselves against it. He only hoped that members would

reconsider the question in their calmer moments and that when the Bill was brought before them again they would lend their unanimous support to it. In this hope, he said he was withdrawing the Bill for the present.

THE FIRST MEMBER (*Rajamantrapravina Diwan Bahadur* K. MATTHAN) enquired what the mover proposed to do when this Bill came up at the ensuing session of the Legislative Council.

MR. BHASHYAM AIYANGAR replied that he would not move the question in that House until the Representative Assembly gave its assent to it.

At this stage the Assembly adjourned for lunch and reassembled at 3-45 p.m.

GENERAL DISCUSSION ON THE BUDGET.

Rao Sahib M. RAMASWAMI congratulated the Government on having been able to frame a satisfactory budget for the coming year. The estimates showed that the Government were anticipating a small surplus of one lakh of rupees, which was a happy feature. Of course, there was a section of people who thought that this surplus had been shown after withdrawing as much as five lakhs of rupees from the accumulated funds of previous years and proposing to utilise it for ordinary items of expenditure and that therefore it was really not a prosperous budget. His own opinion, however, was that, after all, accumulated balances were meant for utilisation in times of real necessity, and so there was nothing wrong in withdrawing funds to the extent necessary from them. After all, what mattered was the purpose for which the expenditure was meant and not how the funds were obtained. For nearly ten years past, the finances of the State had not been satisfactory; almost all development departments had been starved and more recently salary cuts had to be imposed. For five or six years past, however, the Government were making strenuous efforts to improve the position and had succeeded in doing so for the first time now. The time had thus come for the Government to consider how best to perpetuate the name of Model State which Mysore had so rightly earned. The masses were still steeped in ignorance and the villages stood in dire need of reconstruction. For this reason, he requested that larger provision be made under Education, particularly for primary education. The number of youths that had received education in recent years was somewhat satisfactory and was bound to increase steadily from year to year. But there was no scope for them to get into Government service. The result was that the problem of unemployment which had already begun to stare the Administration in the face, was threatening to assume serious proportions in the near future. In order that boys with high school and college education should not in future be a burden to themselves and a source of anxiety to their parents, it was very desirable to start a special fund for the relief of unemployment. The starting of technological colleges in the cities and of minor industries in the villages would be necessary items of relief in that direction.

MR. K. M. KRISHNAPPA GOWDA said that he was pleased at first to see that the budget estimates showed a surplus of a lakh of rupees but that ultimately he had derived no comfort from it. Because, even at the beginning of the current year, hopes of a prosperity budget had been given whereas at the end of the year the position was found to be anything but satisfactory. From the year 1927-28, the budgets had shown a series of deficits and the Government had gone on drawing from the reserves ignoring the very healthy principle that they had been meant for utilisation only during extremely bad years, so much so that at present only 20 lakhs of rupees remained out of the reserves. Members of the Assembly had been saying for a long time past that the Government must explore all possible ways of economising expenditure and a number of retrenchment committees had made several recommendations in this respect. The Government had not given effect to many

of the suggestions, with the result that expenditure had not been kept under check. It would have been something if at least all the popular demands had been met and relief afforded to hard-hit agriculturists; but even this had not been done. Medical facilities in rural parts were most inadequate and the small provision made for dispensaries in those parts was spent away mostly on establishments. The appointment of Health Officers in the cities had not led to useful results and District Officers of the Health Department were not visiting the interior parts. In the villages themselves, the Panchayet Inspectors were not doing much useful work, and it would be much better if the money spent on them was diverted for the opening of more dispensaries. At present it looked as though the Government had created these appointments merely with a view to find employment for hands thrown out from the Public Works and other departments. The grant under Education was discouragingly small and the oft-quoted programme of expansion of primary and middle school education had not given hopes of fruition. It was necessary to increase the allotment under this head. The member requested that the amount sanctioned for opening fresh schools should be utilised for giving schools to the more populous villages. For drinking water wells, a sufficiently large grant had not been made for the current year. A large number of wells had been sunk in many villages but these wells remained without stone rivetment. A larger grant for the budget year was necessary both for providing stone rivetments to the wells already sunk and for sinking wells in other villages.

Coming to the question of salary cuts, the member stated that he did not know why the example of British Indian Provinces had been quoted by the Dewan in his opening Address in justifying the proposed removal of cuts. When members of the Assembly referred to such provinces in support of any requests for relief, the Government were invariably saying that conditions in Mysore were not the same as those in British India; but whenever it suited their convenience, the Government were giving those very examples. The Dewan had observed that Government officials in Mysore had accepted the cuts without murmur. If it was so, they would continue to bear the cuts as cheerfully for sometime more also. These officials were after all children of the soil and would take a pride in making a sacrifice for the benefit of the starving millions. So, there was no hurry to remove the cuts. If the cuts were continued, it would be possible, with the help of the resulting savings, to provide drinking water wells in a large number of villages. Of course, if the financial position improved, nobody would object to the full salaries being given. In fact, in such an event, the members would be too glad to support even an increase of salaries.

Mr. B. N. Boranna Gowda commenced by saying that he was not prepared to call any budget satisfactory unless it showed a surplus of at least 10 or 15 per cent of the total revenue. Judged by this standard, he was not satisfied with the budget estimates that had been placed in the hands of the members. He pleaded for increased provisions under village improvements, malnad improvement, drinking water wells and education including technical education. He wanted in particular that another institution like the Chamarajendra Technical Institute should be started at some central place. As regards the estimated figures of revenue from *hulbanni*, *amarai* and *hangami nirsaidi*, etc., he did not believe that the full amounts would be realised. In the malnad particularly, he wanted that provision should be made for a special campaign for eradication of lantana and for constructing roads. He also wanted that salary cuts should not be removed since the salaries given in Mysore were far in excess of those obtaining in advanced eastern countries like Japan.

Mr. B. S. Puttaswamy said that for 6 or 7 years past there had been a serious difference of opinion as to whether the budgets of the State were surplus ones or not. So far as the budget year was

concerned, the Financial Secretary had observed in his Memorandum that even though the revenue was Rs. 292·21 lakhs and the expenditure Rs. 298·58 lakhs—which meant that there was a deficit of Rs. 6·37 lakhs—still, taking into consideration the receipts from interest, namely Rs. 7·44 lakhs, which had been included under receipts, the net result was a surplus of one lakh of rupees. With regard to that aspect of the question, the member said that upto the year 1926-27, the interest earned on reserves was being shown as a separate item and was being added on to the concerned corpus. In the year 1927-28, however, for the first time, all interest receipts were shown as normal receipts and it was only from that year that the revenue budget began to show an increase. In other words, the total revenue was being shown to be really more than what it was. Simultaneously with that position, the expenditure also went on steadily increasing from the year 1930-31 and deficits also increased from year to year. If the interest receipts on the famine insurance reserve and sterling railway loan funds for the budget year had been kept separately, there would have been a deficit of about Rs. 13 lakhs. Because this was not done and interest receipts were included under current revenue, the budget estimates showed a surplus of a lakh of rupees. The practice thus went on changing from year to year, and there was no continuity of policy with regard to budgetting.

THE FINANCIAL SECRETARY TO GOVERNMENT (MR. S. SHAMANNA) explained that the system of including interest receipts on the revenue side had been in vogue since 1926-27, as the member himself had pointed out, and so there was no departure in that respect so far as the budget year was concerned. With regard to the railway sterling loan, the loan would be wiped off during the budget year and so it was not considered necessary to show it outside the Revenue account.

MR. PUTTASWAMY said that the explanation was satisfactory so far as the interests from railway sterling loan was concerned, but the interest from famine insurance fund should have been shown separately and added on to the corpus.

Continuing, he said that economic depression was still very acute and important items of revenue like Excise were showing a decline. At such a time, he asked whether it was safe to go on utilising for normal expenditure even receipts from famine insurance and such other reserve funds. He said that time had come for the Government to lay down a definite budget policy and prepare settled programmes of expansion in each department of Government for at least ten years to come. Taking educational expansion, for example, he said that the District Boards were prepared to set apart necessary funds for providing more schools; but the Government found themselves unable to give their own quota. At the same time they were proposing to restore salaries to their original high level. The Government had admitted in the past that the proportion between primary schools on the one hand and middle and high schools on the other was not satisfactory and that more and more schools of the latter type had to be started without delay. Was it more urgent and desirable, he asked, to give effect to expansion of education or to remove salary cuts?

As regards land revenue, the member said that he had brought to notice at the previous session itself that the collection season for the current year would have closed by the time of the present budget session of the Assembly and that unless some relief was ordered in the meanwhile, the local officials would take drastic action to collect as much revenue as they could and cause a lot of hardship to the already hard-hit raiyats. He had prayed that a committee should be appointed forthwith to consider what immediate relief was necessary for the agriculturists and that orders should be passed on the recommendations of that committee before the commencement of the collection season. A committee had been appointed and their report also submitted, but orders had not been passed on all the recommendations.

THE FIRST MEMBER (*Rajamantrapravina Diwan Bahadur* K. MATTHAN) pointed out that orders had been passed well in time on practically all recommendations concerning land revenue collections.

MR. PUTTASWAMY said that no orders had been passed yet with regard to remissions.

MR. K. MATTHAN replied that there was not much in that particular recommendation.

MR. PUTTASWAMY then regretted that the Government should have prohibited the holding of conferences in various places. They were meant to express the grievances of the raiyats so that the Government might come to know them and afford whatever relief was possible. The conveners of those conferences were respectable non-official leaders and by having prevented them from holding the conferences, the Government had denied themselves the only opportunity of knowing in detail all the grievances of the raiyats who were really the back-bone of the State. There was now a double grievance on the part of the raiyats as a result of the action taken by the Government, that neither remissions had been granted nor were the agriculturists even allowed to bring their grievances to notice. Already the wants and grievances of raiyats were so many and it would be yet another addition to the list if salary cuts were removed. If the cuts were kept on, there would at least be a hope that some of those grievances would be remedied. The member wanted the Government to consider that, if officers drawing hundreds or thousands of rupees every month were indebted, as was stated in the Dewan's Address, how much more miserable should be the raiyats whose only means of livelihood was the land which of late had not been yielding anything to them?

MR. K. MATTHAN reminded the member that salary cuts were proposed to be wholly removed only in the case of non-gazetted officers who were not getting large salaries.

MR. PUTTASWAMY replied that, so far as non-gazetted officers were concerned, nobody was opposed to the removal of cuts. In fact, members of the Assembly had often brought to the notice of the Government that they were not in favour of cuts being imposed at all in their case. So far, however, as higher officers were concerned, it was but right that they should show some practical measure of sympathy to the suffering agriculturists of the country and forego, for their sake, a small fraction of their own salaries. If this earnest prayer of the agriculturists was not heard, they would naturally be led to think that the Government were getting callous and their officers heartless. He however hoped that both Government and the officers would understand the grievances of raiyats sympathetically and come forward promptly and cheerfully to bear salary cuts for some time to come.

MR. S. C. BELURIAH requested that provision should be made in the budget estimates for giving a grant of Rs. 60 per mensem to the Sri Sarada Vilasa Sangeetha Pathasala at Hole-Narasipur, for which representations were being made for the past 8 or 9 years.

MR. M. NANJAPPA pleaded for the provision of drinking water wells in all the villages and of midwives at all hobli headquarters. He urged the need for a material reduction of expenditure on the Kunigal Stud Farm and on the construction of town halls and village panchayet halls. He particularly brought to notice that the design of some of the buildings were being disapproved by higher officers subsequent to construction and that the buildings were being pulled down and reconstructed. All these meant waste of public money which municipalities and panchayets could ill-afford. He prayed that such waste be put an end to forthwith. He also suggested that the appointment of Panchayet Inspectors should be done away with and Revenue Inspectors entrusted with their work also. In conclusion, he said that schools, dispensaries and drinking water wells should be provided in all the villages before any other item of expansion was taken up in those parts, and that liberal grants should be provided

for these purposes in the budget of the coming year.

MR. JATHARE NAIK pleaded for the opening of a boarding home for members of the Lambani community and for larger grants to the hostel which was already working for some time. He prayed that all school-going boys and girls of his community should be given scholarships, as a special case, so that they might provide themselves with slates and books. He brought to notice that members of his community were at present living only in thatched huts and he requested that they should be given special facilities for removing bamboos and jungle wood from State and District forests so that they might be induced to build and live in better houses. He further prayed that special encouragement be given to members of his community to keep up rope-making and its allied industries.

MR. DONDE GOWDA brought to notice that for some time past a new type of buildings were being provided for schools in the villages but that the money spent on them was certainly a waste since they were anything but strong. The design of these buildings was itself very unsatisfactory, and the boys and girls attending the schools were too much exposed to wind and sun. Further, the planks, benches and chairs and tables had to be brought out and taken in daily and the whole thing was very unsatisfactory.

MR. K. MATTHAN replied that the speaker was probably referring to what was known as the "Ceylon type design" which had already been given up.

MR. DONDE GOWDA then requested that all possible relief should be given to the agriculturists who were very hard-hit on account of failure of crops. The difficulty seemed to be that village officers were not representing facts correctly and higher officers were not visiting interior parts. If the higher officers made it a point frequently to visit interior parts, they would surely come to know the plight of the agriculturists and relief would follow immediately. He hoped that at least during the next year remissions of revenue would be granted on a large scale.

The Assembly then rose for the day to meet again at 12 of the clock the next day.

THIRD DAY.

Saturday, 15th June 1935.

The House reassembled at 12 of the clock.

QUESTIONS AND ANSWERS— (*contd.*)

Construction of the Ragamakalapalli Project.

MESSRS. A. G. MUDRACHAPPA (Bowringpet Municipality) and B. SREENIVASA RAO (Bowringpet Taluk).—

Q.—18. Will the Government be pleased to state:—

(*a*) How many years ago did the correspondence for the construction of Ragamakalapalli Project, Budikote Hobli, Bowringpet Taluk, begin?

(*b*) Whether it is a fact that this work was proposed to be taken up as a famine relief work?

(*c*) The expenditure so far incurred for surveying the project work?

(*d*) The names of officers who inspected this work and their opinions about the work?

(*e*) When the project is going to be taken up?

THE SECRETARY TO GOVERNMENT, PUBLIC WORKS DEPARTMENT (*Diwan Bahadur* N. N. AYYANGAR).—

A.—(*a*) About 30 years ago.

(*b*) Yes.

(*c*) Information is not available as expenditure on surveys is not separately accounted except for large projects.

(*d*) Messrs. M. G. Rangaiya, S. Srinivasa Iyer, R. W. Scaldwell and the Executive Engineers of the Division. All have expressed the opinion that the project deserves to be taken up.

(*e*) As soon as practicable. The question of financing the scheme is under the consideration of Government